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MANUFACTURING AND TRADE INVENTORIES AND SALES June 2006

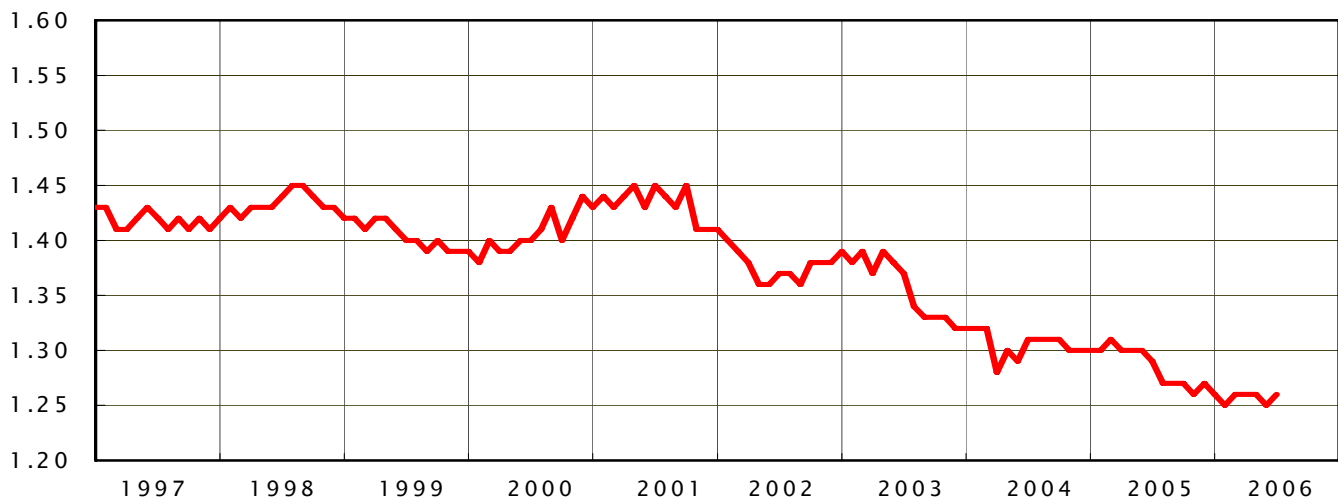
Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for June, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,061.6 billion, up 0.2 percent ($\pm 0.1\%$) from May and up 8.6 percent ($\pm 0.4\%$) from June 2005.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,339.2 billion, up 0.8 percent ($\pm 0.1\%$) from May and up 6.3 percent ($\pm 0.3\%$) from June 2005.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of June was 1.26. The June 2005 ratio was 1.29.

Total Business Inventories/Sales Ratios: 1997 to 2006

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for July is scheduled to be released September 14, 2006 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

** The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.*

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Jun. 2006	May 2006	Jun. 2005	Jun. 2006	May 2006	Jun. 2005	Jun. 2006	May 2006	Jun. 2005
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,061,586	1,059,577	977,862	1,339,154	1,328,018	1,259,431	1.26	1.25	1.29
Manufacturers ³	402,960	404,199	374,870	469,441	465,617	444,891	1.16	1.15	1.19
Retailers.....	327,574	328,971	311,344	490,823	486,353	463,886	1.50	1.48	1.49
Merchant wholesalers.....	331,052	326,407	291,648	378,890	376,048	350,654	1.14	1.15	1.20
Not Adjusted									
Total business.....	1,111,533	1,099,341	1,023,795	1,331,873	1,327,933	1,251,086	1.20	1.21	1.22
Manufacturers ³	429,961	416,851	400,071	467,592	469,533	442,488	1.09	1.13	1.11
Retailers.....	336,993	343,404	320,030	486,791	485,905	459,561	1.44	1.41	1.44
Merchant wholesalers.....	344,579	339,086	303,694	377,490	372,495	349,037	1.10	1.10	1.15

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Jun. 06/ May 06	May 06/ Apr. 06	Jun. 06/ Jun. 05	Jun. 06/ May 06	May 06/ Apr. 06	Jun. 06/ Jun. 05	Jun. 06/ May 06	May 06/ Apr. 06	Jun. 06/ Jun. 05	Jun. 06/ May 06	May 06/ Apr. 06	Jun. 06/ Jun. 05
Total business.....	0.2	1.6	8.6	0.8	1.1	6.3	1.1	8.5	8.6	0.3	0.3	6.5
Manufacturers.....	-0.3	2.5	7.5	0.8	0.7	5.5	3.1	9.0	7.5	-0.4	0.9	5.7
Retailers.....	-0.4	0.2	5.2	0.9	1.6	5.8	-1.9	6.7	5.3	0.2	0.2	5.9
Merchant wholesalers..	1.4	1.9	13.5	0.8	0.9	8.1	1.6	9.7	13.5	1.3	-0.2	8.2

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Jun. 2006 (p)	May 2006 (r)	Jun. 2005 (s)	Jun. 2006 (p)	May 2006 (r)	Jun. 2005 (s)	Jun. 06/ May. 06	May 06/ Apr. 06	Jun. 06/ Jun. 05	Jun. 06	May 06	Jun. 05
	Adjusted ²												
	Retail trade, total.....	327,574	328,971	311,344	490,823	486,353	463,886	0.9	1.6	5.8	1.50	1.48	1.49
	Total (excl. motor veh. & parts).....	254,648	254,189	234,346	327,543	325,853	314,675	0.5	0.7	4.1	1.29	1.28	1.34
441	Motor vehicle & parts dealers.....	72,926	74,782	76,998	163,280	160,500	149,211	1.7	3.5	9.4	2.24	2.15	1.94
442,3	Furniture, home furn., elect. & appl. stores.....	18,919	18,774	17,595	31,481	31,290	30,112	0.6	0.2	4.5	1.66	1.67	1.71
444	Building materials, garden equip & supplies.....	29,645	30,110	27,325	47,738	47,485	44,301	0.5	0.1	7.8	1.61	1.58	1.62
445	Food & beverage stores.....	45,312	45,113	43,074	34,295	34,167	33,475	0.4	0.6	2.4	0.76	0.76	0.78
448	Clothing & clothing access. stores.....	17,762	17,673	16,839	44,413	44,229	42,031	0.4	1.1	5.7	2.50	2.50	2.50
452	General merchandise stores.....	46,001	45,892	44,014	72,780	72,576	73,103	0.3	0.7	-0.4	1.58	1.58	1.66
4521	Dept. str. (excl. leased depts.).....	17,706	17,760	18,105	35,703	35,890	37,723	-0.5	-0.8	-5.4	2.02	2.02	2.08
	Not Adjusted												
	Retail trade, total.....	336,993	343,404	320,030	486,791	485,905	459,561	0.2	0.2	5.9	1.44	1.41	1.44
	Total (excl. motor veh. & parts).....	255,437	260,828	233,871	319,721	319,666	306,885	0.0	-0.1	4.2	1.25	1.23	1.31
441	Motor vehicle & parts dealers.....	81,556	82,576	86,159	167,070	166,239	152,676	0.5	0.9	9.4	2.05	2.01	1.77
442,3	Furniture, home furn., elect. & appl. stores.....	18,310	17,846	16,933	30,788	30,633	29,389	0.5	0.4	4.8	1.68	1.72	1.74
444	Building materials, garden equip & supplies.....	33,977	36,372	31,404	48,215	49,099	44,744	-1.8	-1.4	7.8	1.42	1.35	1.42
445	Food & beverage stores.....	45,750	46,515	43,309	34,026	33,805	33,212	0.7	1.0	2.5	0.74	0.73	0.77
448	Clothing & clothing access. stores.....	16,603	17,199	15,621	43,303	42,858	40,938	1.0	0.0	5.8	2.61	2.49	2.62
452	General merchandise stores.....	44,686	45,311	42,701	68,946	69,824	69,264	-1.3	-0.6	-0.5	1.54	1.54	1.62
4521	Dept. str. (excl. leased depts.).....	16,666	16,968	17,108	33,204	34,239	35,158	-3.0	-2.6	-5.6	1.99	2.02	2.06

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.